

Your Small Business Resource

Caribbean E-Outlook is a publication of the U.S. Small Business Administration Puerto Rico and U.S. Virgin Islands District Office

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To be added to our mailing list, please e-mail Angelique Adjutant, Public Affairs Officer at angelique.adjutant@sba.gov.

SBA and the Polytechnic University of Puerto Rico Join to Promote Entrepreneurship

The U.S. Small Business Administration (SBA) Puerto Rico & Virgin Islands District Office and the Polytechnic University of Puerto Rico have entered a Strategic Alliance Memorandum (SAM), SBA District Director Carmen A. Culpeper has announced. The purpose of this alliance is to develop and foster mutual understanding and a working relationship between both organizations in order to achieve optimal effectiveness for the benefit of small businesses.

"Today we are joined by the common goal of promoting business and economic development opportunities for the benefit of our customers," SBA District Director Carmen A. Culpeper said. "By working together in the spirit of our mutual objectives, we will help increase awareness among existing and potential entrepreneurs of the programs and services available to help expand business ownership and entrepreneurship."



Carmen A. Culpeper and José E. Vázquez-Barquet upon signing of Strategic Alliance Memorandum between the SBA and the Polytechnic University.

As part of the SAM, which remains in effect for a period of two years, the SBA will keep the Polytechnic University abreast of the Agency's programs and services available to small businesses for dissemination among its affiliates, faculty and students of its business administration school.

Both organizations will join in training and outreach activities, and work to expand awareness of and access to small business counseling services.

José E. Vázquez-Barquet, Dean of the Polytechnic University's School of Management, said that "by entering this alliance with the SBA, we will work towards identifying topics of interest that can be developed to benefit the business community. It is of utmost importance that our citizens become aware of the role small business owners play in the economic development of Puerto Rico."

District Happenings



District Director Carmen A. Culpeper acts as keynote speaker at luncheon sponsored by International Alliance of Men and Women Entrepreneurs, at which Banco Bilbao Vizcaya Argentaria was honored as SBA participating lender with highest production increase, and businessperson Juan R. Barreto, owner of Econo Supermakets, was honored as SBA Success Story.



As part of their Marketing and Outreach efforts to the community, Puerto Rico Office staff has been visiting various shopping centers throughout the Island, to promote SBA programs and services. From left: Myriam Rodríguez, Wilma Sosa, Rubén Cortés, and Sirelda Alvarado, smile for the camera in Plaza Guayama Mall, in the southern coast of Puerto Rico.

Recently, the Puerto Rico Office co-hosted a mini matchmaking event with the Department of Defense Fort Buchanan contracting office for the 8(a), SDB and HUBZone portfolio firms. The event, one of several planned for Fiscal Year 2005, is an attempt to develop a closer relationship between the District Office's certified companies and a particular Agency on a one-to-one basis. Approximately 50 small firms were in attendance, allowing more time to meet with contracting specialists and more time to hear the concerns of the companies as well as those of the contracting Agency.



District Director Carmen A. Culpeper addresses SBA staff and lenders at roundtable held recently in Guayama, Puerto Rico.

Are you Familiar with Puerto Rico's Administrative Flexibility and Regulatory Act for Small Business?

On December 28, 2000, the Puerto Rico Legislature approved the Administrative Flexibility and Regulatory Act for Small Business (Law 454) with the purpose of simplifying the administrative and regulatory processes facing small businesses.

Law 454 was enforced so that government entities that regulate administrative procedures acknowledge the economic reality of small businesses, as well as to encourage government agencies to be more flexible when applying penalties to the small business sector.

The Administrative Flexibility Act came to life in Puerto Rico 10 years after the United States Congress passed the Small Business Regulatory Fairness Act.

By enforcing this Law, government agencies must be creative, get to know the economic structure of the industry it regulates, and, finally, regulate in such a way that no onerous burdens are imposed on the sector that makes one of the largest contributions to the economy, specifically small businesses. Also, it allows entrepreneurs to participate in the regulatory process and to express their comments on practices and actions to ensure the proper compliance of the agency.

It requires that government agencies review their regulations to ensure that small businesses do not find themselves overburdened by the same or be unnecessarily regulated.

Through the Administrative Flexibility and Regulatory Act for Small Business (Law 454), the Small Business Ombudsman was created.

The Small Business Ombudsman is the official designated by the Citizen's Ombudsman to represent and defend small businesses before the laws and regulations of agencies and instrumentalities of the government of the Commonwealth of Puerto Rico. Its principal mission is to minimize obligations, burdens, penalties and excessive regulations facing small businesses when approaching different government agencies, making them facilitators and the driving force behind Puerto Rico's competitive entrepreneurship.

The Small Business Ombudsman is the voice of small business before government agencies. Among its responsibilities are:

- Educating small business about the regulations that govern the agencies;
- Diminishing excessive and future regulation;
- Representing and defending any small business during any legal or adverse procedures;
- Advocating and negotiating over any material related to small businesses and to that which promotes their interests;
- Conducting investigations to secure the necessary information for the administration of any provision of the Administrative Flexibility and Regulatory Act for Small Business; and,

- Participating as the Court's friend in cases up for judicial review, as well as presenting his point of view on the compliance of the Administrative Flexibility Act.

Any business person whose business employs 15 employees or less can file a claim with the Small Business Ombudsman, if the business person has been affected by:

- An adverse decision by a government agency;
- The imposition of excessive penalties or fines;
- Any legal or adverse procedure on behalf of a government agency;
- The imposition of regulations that result cumbersome to the business' operations.

The Administrative Flexibility and Regulatory Act for Small Business requires that each government agency modifies economic penalties, in whole or in part, to small businesses when the violation is corrected within an appropriate timeframe; and, should it take longer than the indicated timeframe, the agency can condone up to 100% of the fine, if the monies to be paid are used to correct the violation. There are various cases in which government agencies have modified their regulations to include Law 454, supra; jurisprudence over its implementation exists where it is clearly established that government agencies must comply with this law.

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UPCOMING EVENTS

8(a) Pre-certification Workshop

Date: Wednesday, March 30

Time: 9:00 – 11:30 AM

Place: SBA District Office

Call: (787) 766-5572

SBA Business Matchmaking Event

Date: Friday, April 1st

Time: 9:00 AM – 4:30 PM

Place: College Engineers, Hato Rey

Call: (787) 758-2250, ext. 219

SBA Community Outreach

Date: Tuesday, April 5

Time: 8:30 – 11:30 a.m.

Place: CODEVISA, San Juan City Hall

Call: 723-7080

S/B Week in VI: April 3 – 9

Seminar: The Business Plan

Date: Thursday, April 7

Place: SBDC Facility, St. Croix

Call: (340) 692-5270

VI SBW Awards Ceremonies

St. Thomas: Thursday, April 7

Time: 5:30 – 8:00 p.m.

St. Croix: Friday, April 8

Time: 6:00 – 8:00 p.m.

S/B Week in PR: April 17 – 23

Empresarismo con Aroma de Mujer

Date: Tuesday, April 19

Time: 6:00 – 9:00 p.m.

Place: Univ. of the Sacred Heart

Call: (787) 726-7045

Innovación Empresarial

Date: Wednesday, April 20

Time: 7:30 a.m. – 1:30 p.m.

Place: Caribe Hilton Hotel

Call: (787) 763-6811

Procurement Training

Date: Wednesday, April 20

Time: 11:30 a.m. – 1:30 p.m.

Place: Caribe Hilton Hotel

Call: (787) 763-6811

SBA Awards Ceremony

Date: Thursday, April 21

Time: 8:00 – 10:30 a.m.

Place: The Bankers Club



APRIL 26-28, 2005 WASHINGTON, DC

Small business owners, entrepreneurs and others who would like to take part in the National Small Business Week celebration in April at the U.S. Small Business Administration's *SBA Expo '05* can now register online to attend the event, the SBA has announced.

The annual celebration honoring the *National Small Business Person of the Year* will take place in Washington, D.C., April 26-28, 2005, at the Hilton Washington Hotel. It will showcase Small Business Persons of the Year winners from each state, and feature a special awards ceremony for Government Procurement winners, Women in Business and the SBA's Hall of Fame recognizing successful companies that started with SBA assistance.

Business owners, business organizations and other individuals can register for *SBA Expo '05* events online at www.sba.gov/expo. Additional information on *SBA Expo '05* events is available on the SBA's conference Web site, and will be updated regularly with new event information. Registrants who complete the process by March 24, 2005, will be given an "early bird" registration discount. March 24 is also the deadline for the conference hotel room rate at the Hilton.

SBA Expo '05: Celebrating National Small Business Week will feature special events that include a small business expo, a business matchmaking event, business seminars, a town hall meeting and award ceremonies honoring the and

nation's top entrepreneurs and state national small business winners.

Other highlights will include notable speakers and business industry leaders from trade associations, and local and federal governments.

This year's Business Matchmaking will be held a full-day at the start of the expo, as well as an additional half-day. The matchmaking will pair small businesses or "sellers" with government or corporate executives or "buyers" to make on-site contracting deals.

To register for *SBA Expo '05* and for additional information, visit online at www.sba.gov/expo.

Ombudsman... from page 3

Filing a claim with the Small Business Ombudsman is easy:

- In person, at the Ombudsman's main office, at #501 Roberto H. Todd St., Stop 18, in Santurce.
- In writing, at Minillas Station, PO. Box 41088, San Juan, PR 00940-1088;
- Via e-mail at ombudsmn@caribe.net;
- Via fax at (787) 723-4911;
- Via pre-addressed cards available at the U.S. Postal Service offices in Puerto Rico; or
- By phone, at (787) 724-7373, ext. 2316 or 2504.

This information was provided by Ana Lourdes Rivera, Puerto Rico's Small Business Ombudsman.

William Manger Jr. is Named SBA's Region II Administrator

SBA Administrator Hector V. Barreto recently announced the appointment of William Manger Jr. as the new regional administrator of the U.S. Small Business Administration's Region II.

As regional administrator, Manger is responsible for the delivery of the Agency's financial assistance, management counseling, business development and minority enterprise development activities throughout New York, New Jersey, Puerto Rico and the U.S. Virgin Islands.

"Bill Manger is an excellent addition to our team," said SBA Administrator Hector V. Barreto. "He understands the role that small businesses play in our economy and has a breadth and depth of experience that will make him an outstanding leader and an effective advocate for small businesses."

Before joining SBA, Manger worked for a small business in retail sales before his stint at the mortgage-backed securities' sales desk at Citicorp Securities. After receiving his Masters of Business Administration, he worked at a boutique investment bank that specialized in helping small, publicly traded companies secure additional capital for growth. Manger's public service began in 1997 when he was elected to a seat on the village board in Southampton, New York.



In 2000, Manger worked on Congressman Rick Lazio's U.S. Senate campaign, and then served as part of the Bush-Cheney Presidential Transition Team. Manger was then appointed to the Maritime Administration at the U.S. Department of Transportation, where he worked on policy, legislation and the budget. He left his position as senior policy adviser at the Transportation Department to return home to run for a seat in the U.S. House of Representatives.

Manger also serves on the board of the Riot Relief Fund, which benefits the families of New York City police officers killed in the line of duty. After September 11, 2001, the organization expanded its efforts to distribute money to families of the New York City firemen killed in the terrorist attacks.

Manger graduated with a Bachelor of Arts in political science from Trinity College in Hartford, Connecticut. He went on to receive a Masters of Business Administration from Columbia University in New York City.

SBA Puerto Rico Holds Business Matchmaking

On April 1st, the Puerto Rico & Virgin Islands District Office of the U.S. Small Business Administration, together with the College of Engineers and Land Surveyors (CIAPR by its Spanish acronym), will hold a Business Matchmaking to promote federal contracting opportunities among small firms.

The matchmaking event, to be held at the Salvador V. Caro Theater of the CIAPR, will have the participation of the U.S. Coast Guard, General Services Administration (GSA), and the U.S. Army Corps of Engineers. Also participating will be the Procurement Technical Assistance Center (PTAC) of the Puerto Rico Industrial Development Company.

Small firms will have the opportunity to speak firsthand with contracting and purchasing officers from these organizations.

SBA business matchmaking offers a chance for small business owners to expand contracts with hard-to-reach buyers; one-to-one appointments with contracting officers; educational sessions on topics such as financing and marketing; and, on-site SBA specialists to answer questions and provide counseling.

Small firms interested in attending should contact the CIAPR at (787) 758-2250, ext. 219.

For more information on SBA's government contracting and business development programs, visit www.sba.gov/pr.

SBA Authorization No. 05-0252-17

U.S. Small Business Administration Celebrates Women in Business

By William Manger, Jr.

As the nation celebrates Women's History Month, the U.S. Small Business Administration is proud of its record in helping women achieve the dream of successful business ownership.

Eight million small businesses in the United States are women-owned. That's one-third of all small businesses -- an impressive slice of the pie.

Women-owned businesses are also growing fast – at twice the rate of all small businesses. That translates into millions of jobs and a growing economy. It also means \$2.3 trillion dollars in annual sales and revenues.

The SBA is proud to play a part in this growing success of women business owners. In fiscal year 2004, the SBA set a new record in lending to women-owned businesses, approving 19,083 loans valued at \$2.8 billion nationwide. This shattered the previous record of 15,498 loans totaling \$2.4 billion set in fiscal year 2003. This represents an increase of 23.1 percent in loan numbers and 18.4 percent increase in loan dollars.

In the New York region, new loan records were also established. In fiscal year 2004, 1,952 SBA loans for \$268.1 million were made to women-owned businesses through New York State, New Jersey,



Puerto Rico and the U.S. Virgin Islands, surpassing the previous record of 1,480 loans for \$224.5 million set in fiscal year 2003. This translates to an increase of 31.9 percent in loan numbers and 43.6 percent increase in loan dollars between fiscal year 2003 and 2004.

This is a truly impressive growth record. But we have only scratched the surface. The SBA, both nationally, and in the New York region, are on pace to set new lending records to women-owned businesses this fiscal year. The SBA and its 8,000 lending partners nation-wide are committed to giving more women the opportunity to start and grow their own businesses, and thereby become members of the business ownership society.

In addition to its lending programs, the SBA is also helping women access venture capital and government contracting opportunities.

The SBA is also increasing the number of women-owned firms that benefit from SBA business education, counseling and training programs. SBA's Women's Business Centers already offer expert training and technical assistance in more than 70 communities across the country.

The Online Women's Business Center, www.onlinewbc.org, is a free interactive website that offers women who want to start or grow a business, information on best business principles and practices, management techniques, networking, industry news and market research. The SBA's Office of Women's Business Ownership has its own home page, www.sba.gov/womeninbusiness, reaching women regardless of their location with Most Commonly Asked Questions, program summaries, and hotlinks to more than 40 related websites.

The U.S. Small Business Administration salutes all women business owners throughout the United States during Women's History Month. The nation recognizes the vast contributions and achievements of this vital sector of the American economy.

William Manger, Jr. is regional administrator of the U.S. Small Business Administration, Region II, with jurisdiction over Agency activities in New York State, New Jersey, Puerto Rico and U.S. Virgin Islands.

LOAN PRODUCTION IN PR & USVI (AS OF 2/28/05 - 2/29/04)

Lender / CDC	# of Loans 2005	\$\$\$ Value	# of Loans 2004	\$\$\$ Value
Banco Bilbao Vizcaya Argentaria	106	\$8,117,500	104	\$7,126,120
Banco Popular de Puerto Rico ♦	160	\$19,202,050	191	\$21,174,091
Banco Santander Puerto Rico	100	\$9,146,700	85	\$10,055,300
Bank of America	1	\$25,000	0	0
Business Loan Center	3	\$463,000	2	\$1,417,000
Citibank, N.A.	4	\$179,000	0	0
Cooperativa Ahorro y Crédito Aguada	0	0	1	\$190,000
Doral Bank	18	\$2,393,550	4	\$485,000
Economic Development Bank for PR	1	\$91,178	0	0
Eurobank	0	0	1	\$310,000
Firstbank♦	4	\$600,000	0	0
Government Development Bank of VI	0	0	1	\$40,000
Grow America Fund, Inc.	0	0	1	\$30,000
Oriental Bank & Trust	2	\$265,000	3	\$305,000
R&G Premier Bank of PR	0	0	0	0
Scotiabank Puerto Rico	2	\$147,250	0	0
Virgin Islands Community Bank	0	0	1	\$100,000
Westernbank	0	0	0	0
COFECC*	2	\$1,262,000	4	\$1,623,000
Marketing Development Corp. *	18	\$5,258,000	11	\$3,854,000
North PR Local Development *	2	\$336,000	1	\$236,000
PR Business Development Corp.*	0	0	2	\$855,000
TOTALS	423	\$47,486,228	412	\$47,800,511